

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  DEREGULATION OF LOCAL EXCHANGE SERVICES IN COMPETITIVE MARKETS	DOCKET NO. INU-04-1
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**ORDER DENYING REQUEST FOR CLARIFICATION**

(Issued August 18, 2004)

On August 12, 2004, the Iowa Association of Municipal Utilities (IAMU) filed with the Utilities Board (Board) a request for clarification of the issues that are to be discussed at the oral presentation scheduled to begin August 24, 2004. Responses supporting IAMU's motion were filed by the Consumer Advocate Division of the Department of Justice (Consumer Advocate) on August 12, 2004 and by AT&T Communications of the Midwest, Inc., and TCG Omaha (AT&T), South Slope Cooperative Telephone Company (South Slope), and Lost Nation – Elwood Telephone Company (Lost Nation) on August 16, 2004.

In support of its motion, IAMU states that the initial statements and counterstatements of Qwest Corporation (Qwest) contain information about issues that were not identified by the Board in its May 7, 2004, order as being a part of the first phase of this proceeding. In support, Consumer Advocate asserts that the public interest is not served by allowing witnesses at the oral presentation to discuss issues that will not be decided by the Board in this initial phase of deregulation. IAMU,

Consumer Advocate, and AT&T request that the Board issue an order clarifying those issues that will be addressed at the oral presentation.

In its May 7, 2004, order initiating this phase of the proceeding, the Board identified the following issues for comments:

1. The Board's use of the telecommunications competition survey report as a basis for deregulation;
2. The proposed deregulation of business and residential local exchange service in the Council Bluffs market;<sup>1</sup>
3. The proposed deregulation of business service in the Sioux City market;<sup>2</sup>
4. The proposed deregulation of all local exchange service in the overbuilt exchanges identified in the May 7, 2004, order;
5. The possible use of a market-monitoring mechanism after deregulation and;
6. The status of competition with respect to residential secondary lines throughout Iowa.

While the Board intends for this initial proceeding to focus on the issues designated above, the Board also invited comments regarding the effectiveness of competition from competitive local exchange carriers that rely on unbundled network element

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<sup>1</sup> For purposes of this proceeding, the Council Bluffs market includes the Loveland and Wilson communities.

<sup>2</sup> For purposes of this proceeding, the Sioux City market includes the James and Westfield communities.

platforms and unbundled network element loops to provide local telephone service in anticipation of the second phase of this proceeding.

IAMU is correct that the statements and counterstatements filed by Qwest and other carriers have included information that is outside the scope of the issues that were specifically identified for phase one of this proceeding. The Board expects to hear testimony from witnesses at the oral presentation that specifically addresses the issues that are to be decided in this first phase. Nevertheless, the Board requested additional comment and will not, at this time, expressly preclude any presentation of information in the statements and counterstatements insofar as that information relates to the issues identified in this proceeding. As such, the Board will not grant the request to limit the testimony, but will instead rule on the relevance of specific information as the issue may be raised during the course of the oral presentation.

In this order, the Board will also establish the following format for the oral presentation: Each participant shall present at least one witness for cross-examination regarding the participant's pre-filed statements of position. Time permitting, the Board may then ask the participants to engage in one or more panel discussions regarding particular issues, if appropriate.

**IT IS THEREFORE ORDERED:**

The request for clarification filed in this docket on August 12, 2004, by the Iowa Association of Municipal Utilities is denied for the reasons discussed in this order.

**UTILITIES BOARD**

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/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 18<sup>th</sup> day of August, 2004.